

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

November 13, 2015

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

Ref. No.: GLS-5142

HAWAII

Consent to Assign General Lease No. S-5142, Cynthia Lee Kuahuia Baeza (aka: Cynthia Baeza, Cynthia Lee Baeza, Cynthia L. Baeza, and Cynthia L.K. Baeza), Assignor, to Leilani Marilyn Whittle (aka: Leilani Whittle, Leilani M. Whittle, Leilani Marilyn Michaels, and Leilani M. Michaels), Assignee, Milolii-Hoopuloa, South Kona, Hawaii, Tax Map Key: (3) 8-9-014:028.

APPLICANT:

Cynthia Lee Kuahuia Baeza (aka: Cynthia Baeza, Cynthia Lee Baeza, Cynthia L. Baeza, and Cynthia L.K. Baeza), as Assignor, to Leilani Marilyn Whittle (aka: Leilani Whittle, Leilani M. Whittle, Leilani Marilyn Michaels, and Leilani M. Michaels), wife of William K. Whittle, Tenant in Severalty, as Assignee.

LEGAL REFERENCE:

Section 171-36(a)(5), Hawaii Revised Statutes, as amended.

LOCATION AND AREA:

Portion of Government lands of Lot 15, Milolii-Hoopuloa Houselots, Phase II, situated at Milolii-Hoopuloa, South Kona, Hawaii, identified by Tax Map Key: (3) 8-9-014:028, consisting of approximately .2296 acres, as shown on the attached map labeled Exhibit A.

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution:

YES ___ NO x

CHARACTER OF USE:

Residential purposes.

TERM OF LEASE:

65-years, commencing on December 31, 1986 and expiring on December 30, 2051. Last rental reopening was on December 31, 2011. Next scheduled reopening is on December 31, 2021.

ANNUAL RENTAL:

\$480.00. Due in semi-annual installments of \$240.00, on the First day of January and June, of each and every year.

CONSIDERATION:

\$10.00

RECOMMENDED PREMIUM:

Not applicable as the lease does not allow for a premium.

DCCA VERIFICATION:

ASSIGNOR:

Not applicable, Assignor is an individual and is not required to register with DCCA.

ASSIGNEE:

Not applicable, Assignee is an individual and is not required to register with DCCA.

REMARKS:

Pursuant to Act 62, Session Laws of Hawaii 1982, as amended by Act 83, Session Laws of Hawaii 1984, authorizing the Department of Land and Natural Resources to negotiate and enter into long term leases to persons residing in Milolii who were dispossessed or displaced as a result of the 1926 volcanic eruption of Mauna Loa on the Island of Hawaii. Act 362, Session Laws of Hawaii 1987, as amended by Act 68, Session Laws of Hawaii 1989, and Act 86, Session Laws of Hawaii 1991, extended the sunset date to January 1, 1989, providing sufficient time to process Phase III of the Milolii-Hoopuloa Lots.

At its meeting of June 22, 1984, and December 28, 1984, the Board under agenda Item H-2 and F-3, as amended, respectively, authorized the disposition of direct negotiation of residential leases at Milolii.

At its meeting of January 23, 1987, item Z-1, the Board of Land Natural Resources approved the issuance of General Lease No. S-5142 to Cynthia Lee Kuahuia Baeza, as Lessee.

On April 1, 2005, Mrs. Cynthia Lee Kuahuia Baeza visited the Hawaii District Land Office to submit her request for a consent to assignment of General Lease No. S-5142, to her brother, Larry Patrick Kuahuia, Assignee. Reason for the assignment is that Cynthia Baeza's immediate plans were to relocate out of Milolii.

At its meeting of May 12, 2006, item D-6, the Land Board approved the consent to assignment of General Lease No. S-5142, Cynthia L.K. Baeza, Lessee, to Larry Patrick Kuahuia, Assignee.

In the processing of the assignment, Mr. Kuahuia was not able to provide the required tax clearances and insurance. As a result, at its meeting of June 10, 2010, item D-6, the Board rescinded its prior board actions of April 12, 2006, to consent to the assignment of the lease.

At its meeting of March 9, 2012, under item D-3, the Board of Land and Natural Resources approved the reconsideration of rents for the Milolii-Hoopuloa Residential Leases, Phase II, consisting of twenty-two (22) General Leases for residential purposes. The reopening increased the annual rental amount for \$132 per year to \$480 per year.

By letter dated October 20, 2015, Cynthia L. K. Baeza requested consent to assignment of General Lease No. S-5142 to her niece, Leilani Marilyn Whittle. The reason for the assignment is that Ms. Baeza cannot afford the required insurance and plans to relocate out of her residence in Milolii.

Staff reviewed the file and can report that for the past two (2) years, rent has been current. Lessee has received notices of default for failure to provide the required insurance coverage on 8/29/12 and every year since. Performance bond is not required. The Lessee has never been cited for any other illegal or unlawful activity on the State property.

Leilani Marilyn Whittle has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

The next rental reopening is scheduled for December 31, 2021. There is no outstanding rental reopening issues.

No comments were solicited as there will be no change in land use or new dispositions.

Leilani Whittle is a qualified applicant/assignee for a Milolii residential lease as evidenced by her Birth Certificate, which indicates that she is the daughter of Elizabeth Taetuna and the niece of Cynthia Baeza, who are themselves lessees under the Act.

RECOMMENDATION: That the Board:

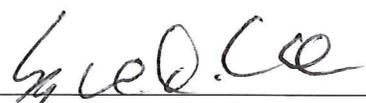
- A. Consent to the assignment of General Lease No. S-5142 from Cynthia Lee Kuahuia Baeza (aka: Cynthia Baeza, Cynthia Lee Baeza, Cynthia L. Baeza, and Cynthia L.K. Baeza), Assignor, to Leilani Marilyn Whittle (aka: Leilani Whittle, Leilani M. Whittle, Leilani Marilyn Michaels, and Leilani M. Michaels), Assignee, subject to the following:
1. The standard terms and conditions of the most current consent to assignment form, as may be amended from time to time;
 2. Review and approval by the Department of the Attorney General; and
 3. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



Wesley T. Matsunaga
Land Agent

APPROVED FOR SUBMITTAL:



Suzann D. Case, Chairperson 



EXHIBIT A